
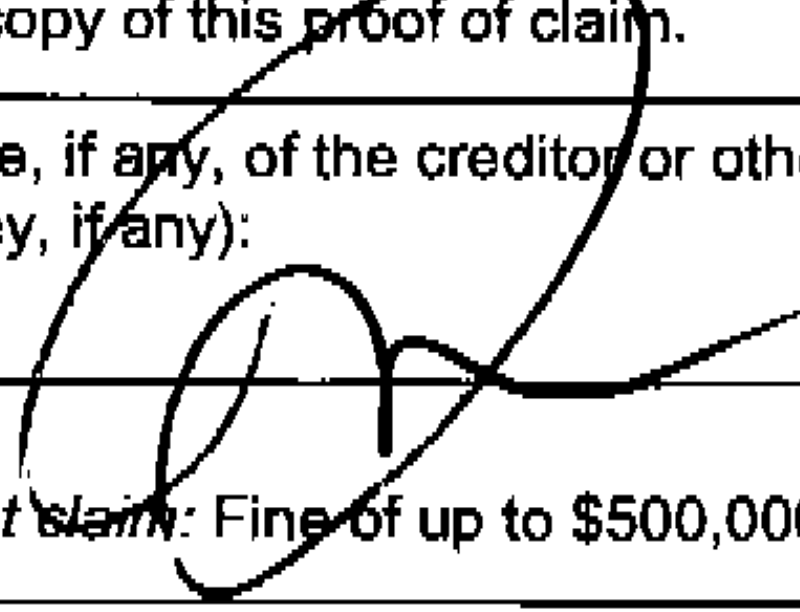


United States Bankruptcy Court
61288, Houston TX 77208SOUTHERN DISTRICT OF TEXAS P.O.Box
(Houston Division)

PROOF OF CLAIM

Name of Debtors <input checked="" type="checkbox"/> Stage Stores, Inc., a Delaware corporation <input checked="" type="checkbox"/> Specialty Retailers, Inc., a Texas corporation <input checked="" type="checkbox"/> Specialty Retailers, Inc. (NV), a Nevada corporation *place an "x" beside the name of the Debtor you are filing a claim against		Case Number 00-35078-H2-11 00-35079-H2-11 00-35080-H2-11	Creditor ID#: 788-32117 United States Bankruptcy Court Southern District of Texas FILED JUL 20 2000 Michael N. Milby, Clerk
Name of Creditor (The person or other entity to whom the debtor owes money or property): K. Bell	<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.		
Name and address where notices should be sent: *****AUTO**MIXED AADC 900 K. Bell 12021 Jefferson Blvd 5300 West 83rd St. Culver City CA 90230-0219 Los Angeles CA 90045 	<input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.		
Account or other number by which creditor identifies debtor:		Check here <input type="checkbox"/> replaces if this claim <input type="checkbox"/> amends a previously filed claim, dated: _____	
1. Basis for Claim <input checked="" type="checkbox"/> Goods sold <input type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input type="checkbox"/> Other _____		<input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensation (Fill out below) Your SS#: _____ - _____ - _____ Unpaid compensation for services performed from _____ (date) to _____ (date)	
2. Date debt was incurred: 4-12-00		3. If court judgment, date obtained:	
4. Total Amount of Claim at Time Case Filed: \$ 1440 If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.			
5. Secured Claim. <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other All personal and intangible property of Debtor's Estate Value of Collateral: \$ _____ Amount of arrearage and other charges at time case filed included in secured claim, if any \$ _____		6. Unsecured Priority Claim. <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ _____ Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$4,300),* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3) <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Up to \$1,950* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6). <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a-____). *Amounts are subject to adjustment on 4/1/98 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.	
7. Credits: - The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.		This Space is for Court Use Only	
8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.		290	
9. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.			
Date 7-12-00	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any):  Gary Findey CEO		
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.			

***** INVOICE *****

PAGE: 1

K. Bell
12021 W. Jefferson Blvd.
Culver City, CA 90230

(310) 821-8539

INVOICE NUMBER: 0152097-IN
INVOICE DATE: 04/12/00

ORDER NUMBER: 0099554
ORDER DATE: 03/01/00
SALESPERSON: TG
CUSTOMER NO: SRI

SOLD TO:
Specialty Retailers, Inc.
Bealls's Distribution Center
506 Beall's Blvd
Jacksonville TX 75766
CONFIRM TO:
Julie

SHIP TO:
STAGE STORES INC.
JACKSONVILLE DIST CTR
506 BEALLS BLVD
Jacksonville TX 75766

CUSTOMER P.O. SHIP VIA F.O.B. TERMS
10012418 Net 30

ITEM NO.	DESCRIPTION	QTY SHIP	QTY B/O	PRICE	AMOUNT
12107-WHITE	Vertical Beads	4476.00	.00	3.00	13,428.00
12107-BLACK	Vertical Beads	480.00	.00	3.00	1,440.00
12115-DIVA BLUE	Heart Beaded Sock	3444.00	.00	3.00	10,332.00
12115-WHITE	Heart Beaded Sock	480.00	.00	3.00	1,440.00
12111-WHITE	Indian Mirror Sock	3444.00	.00	3.00	10,332.00
12137-WHITE	Woven Bead Anklet	3444.00	.00	3.00	10,332.00
SHIP 4/10/00					
Cancel 4/13/00		40 CTNS	1315 LBS		

Invoice \$ 47,304
Paid 45,864

Deduction \$ 1,440.00

Per buyer deducted
in error, goods
received

THANK YOU

NET INVOICE: 47,304.00
LESS DISCOUNT: .00
FREIGHT: .00
SALES TAX: .00

INVOICE TOTAL: 47,304.00

Subj: **STAGE STORES \$1,400 DEDUCTION**
Date: 7/14/00 9:59:58 AM Eastern Daylight Time
From: TuriGal
To: Grinder

Gary:

I have all of the information regarding the above. I called (Ms.) Mikey Howard this morning and left a message for her regarding the status of payment which she told me would be made to us on June 10th.

I tried to refax the information to her but the number would now answer. I will fax the paper work to you with her number, etc.

Turi

Plus attached 3 pages

UNITED STATES BANKRUPTCY COURT

Southern District of Texas

Notice of Chapter 11 Bankruptcy Case, Meeting of Creditors, & Deadlines

A chapter 11 bankruptcy case concerning each of the debtor corporations listed below was filed on June 1, 2000

You may be a creditor of one or more of the debtor(s). **This notice lists important deadlines.** You may want to consult an attorney to protect your rights. All documents filed in the cases may be inspected at the bankruptcy clerk's office at the address listed below.

NOTE: The staff of the bankruptcy clerk's office cannot give legal advice.

See Reverse Side For Important Explanations.

Debtor (name(s), case numbers and address):

Stage Stores, Inc., a Delaware corp.; Case No. 00-35078-H2-11
Specialty Retailers, Inc., a Texas corp.; Case No. 00-35079-H2-11
Specialty Retailers, Inc. (NV), a Dallas corp.; Case No. 00-35080-H2-11

10210 Main Street
Houston, TX 77025-5229

Toll Free Number: 1-800-804-2013 (for case information)

Jointly Administered Under
Case Number 00-35078-H2-11

Taxpayer ID Nos: _____

76-0407711 (Stage Stores, Inc.)
74-0821900 (Specialty Retailers, Inc.)
91-1826900 (Specialty Retailers, Inc. (NV))

Attorney for Debtors (name and address):

Andrew E. Jillson, Esq.
Lynnette R. Warman, Esq.
Jenkins & Gilchrist, a Professional corporation
1445 Ross Avenue, Suite 3200
Dallas, TX 75202-2799

Attorneys for Debtors Telephone Number:

Toll Free 1-877-559-9672

Information may also be obtained from the following website:

Website address: www.stagestoresbankruptcy.com

Meeting of Creditors

Date: 7 / 11 / 00 Time: 2:00 () A.M.
(X) P.M.

Location: U.S. Courthouse
Jury Assembly Room
515 Rusk, 6th Floor
Houston, Texas 77002

Deadlines to File a Proof of Claim

Proofs of Claim must be *received* by the bankruptcy clerk's office by the following deadline:

For all creditors (except a governmental unit): 10/9/00

For a governmental unit: 11/28/00

Mail claim to: U.S. Bankruptcy Court
P.O. Box 61288
Houston, TX 77208

Creditors May Not Take Certain Actions:

The filing of the bankruptcy case automatically stays certain collection and other actions against the debtor and the debtor's property. If you attempt to collect a debt or take other action in violation of the Bankruptcy Code, you may be penalized.

Address of the Bankruptcy Clerk's Office:

515 Rusk Avenue
1st Floor
Houston, Texas 77002
Telephone number: 713/250-5115

For the Court:


Clerk of the Bankruptcy Court:

Michael N. Milby, Clerk

Hours Open: 9:00 a.m. - 4:30 p.m.

Date:

*To: Gary***K. Bell**

TO:  Mikey Howard ~ STAGE STORES
(713) 218-4829 * Fax (713) 218-4960

FROM: Turi Galbraith ~ K. BELL
(212) 564-4710 * Fax (212) 564-3413

DATE: ~~May 25, 2000~~ *July 14, 2000*

SUBJECT: ~~UNAUTHORIZED DEDUCTIONS~~ ~ STAGE PO# 10012418

CC: Gary Finder ~ K. Bell, California

Total number of pages including cover sheet: 3

Attached please find the Invoice Number 0152097 for Vendor Number 5711 K. Bell in the amount of \$47,304 for the above referenced order. The also attached Remittance Advice Report shows the MDSE AMOUNTS as only \$45,864 from which additional deductions were made.

- The \$72 deduction for "See Quantity Differences Below" refers to quantity differences that do not appear anywhere "below" on the page. And, both the "Billed" and "Recvd" units indicate "0." Where's the difference?
- Is the Distribution deduction of approximately 2% a "standard" allowance?
- Is the Damage Allowance deduction of approximately 2% another "standard" allowance?

Our primary concern is the initial deduction (\$1,440) taken from our Invoice Total for which there is NO explanation anywhere on your report. We shipped 480 pair of Black socks at \$3.00/pair (\$1,440) as originally ordered by the buyer on her worksheet on 1/25/99, which were knit to order overseas. The order summary received six and a half weeks later shows all White socks and no Black socks. Neither Stage nor K. Bell noticed this discrepancy until 4/19/00 when the new buyer said she would accept the goods. If you are accepting the goods, then why are you charging us? Or, if you are not accepting the goods, we would like them returned to us.

Please confirm what you findings are on this matter. Thank you very much.

Turi Galbraith ~ Turigal@aol.com
*(212) 564-4710 * Fax (212) 564-3413*

Corporate Office
12021 W. Jefferson Blvd.
Culver City, CA 90230-8219
(310) 821-8539 F (310) 827-2530

www.kbellsocks.com
e-mail address: kbell1234@aol

New York Office
350 Fifth Avenue, Suite 1422
New York, NY 10118-3199
(212) 564-4710 F (212) 564-3413

FAXED
5/25

*5/29 Mickey called
ceelcal
payment to
be made
6/10*

CUSTOMER: 5711
NAME: K. BELL

RESS: 12021 W. JEFFERSON BLVD.

CULVER CITY, CA. 90230

REMITTANCE ADVISE REPORT
FROM: SRI (BEALLS/PALAIS/FASHION BAR/STAGE)

CHECK 0

263528

DATE: 05/08/2000
PAGE 1

VOICE DEPT. P.O.
ID. NO. NUMBER

52097 481 10012418

INVOICE TOTALS

MDSE
AMOUNTS
45,864.00

FRI/OTHER
AMOUNTS
.00

DISCOUNT
AMOUNT
.00

INVOICE NET
AMOUNT
45,864.00

DISC
PRCT

INVOICE
DATE

05/10/2000

IPPING DISCREPANCY 4015
ISTRIBUTION
MAGE ALLOWANCE > 4023

TOTAL DEDUCTIONS

OUNT OF CHECK 0 263528 05/09/2000

SEE QUANTITY DIFFERENCES BELOW

COMMENTS

ANTITY DIFFERENCES:

INVOICE NO.	INVOICE DATA BILLED UNITS	EXTENDED COST	RECEIVING NO.	MFG --STYLE--	RECEIVED DATA RECYD UNITS	UNIT COST	EXTENDED COST	QUANTITY DIFFERENCE
00152097	0	.00	434869	12137-WHIT	0	3.00	.00	.00

To: Mickey Howard

479304

301

72.00-
915.84-
1,903.68-

=====

7010

-3344